

**From:** Kevin Schumacher  
**To:** Microsoft ATR  
**Date:** 1/28/02 11:44pm  
**Subject:** Microsoft Settlement

I am a private citizen, not employed by any computer-industry company, organization, or group, writing about my concern the effects of Microsoft's business practices have had on the "free market". I have not been asked to write on behalf of anyone, or any company.

Microsoft is a moving target, a company who the courts have recently agreed, has "won" by cheating, a company who has a history of using dirty tricks, intimidation, and taking advantage of every possible loophole. They also made a mockery of their last "agreement" with the DOJ by violating it at every opportunity, and what has the government learned from these experiences? --Not enough, apparently.

If you will indulge me for a moment, my "prediction" for the future is that Microsoft will be spending more & more of their time in courts all over the world, not just in the US. Have you seen Microsoft's FY2001 last quarter's charge of \$600,000,000.00 for "legal expenses"? This trend will be growing --exponentially, and "rightly" so. The Chinese, UK, and French governments have realized how firmly they are in Microsoft's grip, and how much of their national wealth is being paid to this (American) gorilla...so much so that the Chinese government's policy is to move to Linux.

Others will follow.

I'm quite sure that Sun will continue to develop Star Office. I also think that Apple's Mac OS X will be adopted in more business environments, but only because it does work well in a WinTel-dominated networking world. Apple must improve OS X's interoperability with Windows networking environments to have any real hope of growing their market share. This assumes that Microsoft's moving target strategy, combined with their -embrace, -extend, -extinguish, tactic ("because our customers demand it!"), or the ever-present FUD (Fear, Uncertainty, and Doubt) factor effect, or finally their last big gun, the \$36,000,000,000,000 in their savings account, --doesn't slow Apple down so much that it's impossible for them to succeed...a BIG assumption. In the end, even if a few other companies produce a great new product, Microsoft will simply BUY THEM, --if the DOJ allows...just like they bought SGI's intellectual property, i.e. OpenGL...which, by the way, Apple's OS X uses (what a coincidence!), or simply develop a clone and then pollute the original. --Java, anyone?

Here's a quote from a very recent article published on the web:

"The second most common critique had to do with my comments about Apple being a niche player. Many readers brought up examples of strong companies

that themselves enjoy no more -- and sometimes less -- than 4.5 percent overall market share. But that reaction is (pardon the expression) like comparing Apples to oranges. BMW and Ben & Jerry's are viable companies with relatively small market share. But neither of them is competing in a market dominated by one proprietary technology platform. There is no 95 percent gorilla in the jungle of the automobile or ice cream market. But there is one in the personal computer world, and it's called Wintel."

No, no, no! It's called "Microsoft", not "WinTel"! AMD is a major alternative/competitor, to be fair, and there are several minor players as well, but, --there's only ONE Microsoft. This point is critically important! Microsoft is the world-dominating, company-killing machine; it's Microsoft steering the boat...Intel is a very grateful passenger, trying very hard not to rock the boat (too much). Remember when Intel tried to "do their own thing" by developing their own multimedia software, and how Microsoft responded? Nothing happens without Bill's approval, combined with "plausible deniability". Sound familiar? Requisite knowledge for CEO's, these days.

Apple has suffered through a decade of negative press, who constantly produce headlines asking the same question, "Can Apple Survive Another Year? ...why not ask the other, more relevant question, --"How Does Microsoft Constantly Defeat All Other Companies?"...and then ask why consumers, and the US Government, don't seem to care one iota until they find bloody corpses littering corporate America? Netscape, DR-DOS, VisiCalc, Apple (and the innovator, -QuickTime!). Microsoft copies everyone, adds it to their OS, which kills the innovators.

...RealNetworks, and Java, next?

Or, Microsoft "competes" with Sony's Playstation by buying up the gaming developers to ensure Xbox-only titles. Sounds a lot like one of the tactics used to ensure the "success" of Windows. If Microsoft can't/isn't allowed (anti-trust issues) to buy them up, Intel steps in for the assist; look to the audio & video companies for some recent examples (Terran & Avid).

Is this the way companies win? Is this "competing" in America?

I have two questions, and I hope you will think about them before coming to a decision regarding an appropriate settlement with Microsoft:

1. (If) I have a great new idea for a piece of software, an idea so good that it is certain to change the way computers are used by everyone...business, consumers, schools, etc... How Likely Is It, That I Could Ever Hope To Bring It To Market Where The 900 Pound Gorilla Rules?
2. Why do the real innovators in today's computing world fare so poorly? How is it possible to have great ideas/products/management/funding, etc...and

still fail completely? So completely, that there's room enough only for Microsoft?

Consider that Apple's very future relies on Microsoft continuing to publish MS Office Suite for Macintosh, and that, should Microsoft ever want to put Apple out of business overnight, they could by discontinuing this one product. Think I'm exaggerating?

How is it possible to arrive at a just remedy, without first addressing these issues?

As you search for a remedy, consider making --file formats-- a "government & ISO-mandated World Standard"...so that at the very least, Microsoft won't be able to constantly use their embrace/extend/extinguish tactics --"because our customers demand it!"

Consider splitting the company into an Applications Group, and an Operating Systems Group. This is NOT as radical a solution as some have made it out to be.

Consider forcing Microsoft to make Apple (or some other third party company) a licensee of MS Office Suite for Macintosh, to remove the doubt & worry from the marketplace put there by Microsoft, that maybe, one day, we'll stop publishing it for the Mac...then where will all of you poor Mac-users be?

Sincerely,

Kevin Schumacher  
771 13 th St  
San Diego, CA 92101-7303